

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 2090 - HB 2300**

February 18, 2018

**SUMMARY OF BILL:** Requires, before January 1, 2020, each voting precinct using direct recording electronic voting systems (DREVS) to have the capability to create a voter-verifiable paper audit trail (VVPAT) for each ballot cast.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures –**

**\$4,753,800/FY19-20 and Every Four Years Thereafter**

**Increase Local Expenditures – Exceeds \$57,411,900/FY18-19\***

**\$9,507,300/FY20-21 and Every Two Years Thereafter\***

**\$4,753,800/FY21-22 and Every Four Years Thereafter\***

**Assumptions:**

- Based on information provided by the Division of Elections, there are 83 counties using DREVS; however, VVPAT equipment is not readily available for DREVS.
- Counties would be required to purchase new equipment capable of producing a VVPAT.
- Based on information provided by the Division of Elections, the mandatory one-time increase in local expenditures for new equipment is estimated to exceed \$53,000,000 in FY18-19.
- In addition local governments will need additional supplies, software, training, and voter education resulting in a mandatory one-time increase in local expenditures of \$4,411,903.
- The total mandatory one-time increase in local expenditures is estimated to exceed \$57,411,903 (\$53,000,000 + \$4,411,903).
- According to the Division of Elections, there is approximately \$29,000,000 remaining in Help America Vote Act funding that may be used for equipment upgrades in addition to other possible expenditures. If these funds are used for purchasing VVPAT equipment, other funding will be required for the original planned usage of such funds.
- Additional expenditures will be required for each election for paper, printing supplies, system programming fees, training, and audits. The additional increase in expenditures for each election is estimated to be \$4,753,810.
- VVPAT equipment will be in place beginning with FY19-20 elections.

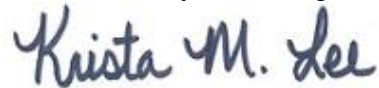
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- In years with a Presidential Preference Primary, the state will be responsible for such costs; therefore in FY19-20 and every four years thereafter there will be an increase in state expenditures estimated to be \$4,753,810.
- In FY20-21 and every two years thereafter, there will be a mandatory increase in local expenditures estimated to be \$9,507,260 (\$4,753,810 per election cycle x 2 election cycles) for the August primary and November general elections; and in FY21-22 and every four years thereafter, there will be a mandatory increase in local expenditures estimated to be \$4,753,810.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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